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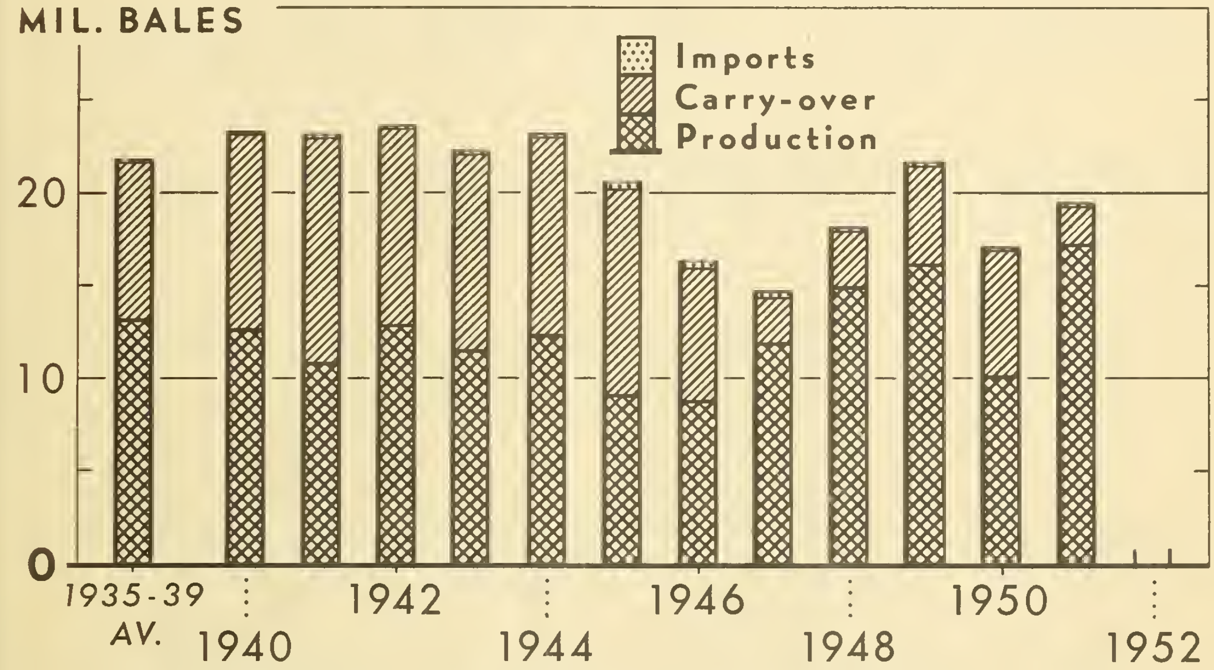
THE Cotton SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

CS-135 BAE AUGUST 1951

U. S. COTTON SUPPLY



YEAR BEGINNING AUGUST; PRODUCTION AND IMPORTS IN 500 LB. GROSS-WEIGHT BALES; CARRY-OVER STOCKS IN RUNNING BALES

1950 IMPORTS ESTIMATED. 1951 ESTIMATES; PRODUCTION AS FORECAST IN AUGUST CROP REPORT

U. S. DEPARTMENT OF AGRICULTURE NEG. 48277-XX BUREAU OF AGRICULTURAL ECONOMICS

The 1951-52 United States cotton supply will total about 19.5 million bales, 14 percent more than last year, and the second largest supply since the end of the war. The increase is due entirely to the 72 percent expansion in cotton production over last year indicated by the August crop report. As a result of the small 1950 crop and near-record disappearance during the 1950-51 crop year, the carry-over stock of 6.8 million bales on August 1. 1950, had been reduced to about 2.2 million bales as the 1951-52 crop year began.

The estimated 1951-52 cotton supply is sufficient to permit maintenance of the high consumption level of the crop year just ended, larger exports, and a moderate increase of carry-over stocks.

Cotton Situation at a Glance

Item	Unit	1950			1951		
		May	June	July	May	June	July
Prices received by farmers (mid-month)	Cents	29.24	29.91	33.05	42.45	42.02	39.11
Parity price	Cents	30.75	30.75	31.00	33.85	33.98	33.85
Farm price as a percentage of parity price	Percent	95	97	107	125	124	116
Average 10 spot market price Middling 15/16 inch	Cents	32.90	33.81	37.12	45.23	45.22	40.07
Average price for 17 constructions, grey goods	Cents	64.68	65.48	73.00	87.89	85.06	78.78
Average price cotton used in 17 constructions	Cents	32.94	33.82	37.04	45.32	45.29	40.01
Mill margins for 17 constructions	Cents	31.74	31.66	35.96	42.57	39.77	38.77
BLS wholesale price index							
All commodities	1926 = 100	155.9	157.3	162.9	182.9	181.7	1/
Cotton goods		172.0	173.8	190.7	234.1	229.4	1/
Index of industrial production							
Overall	1935-39 = 100	195	199	196	223	222	1/
Textiles and Products		175	173	165	190	188	1/
Personal income payments	Billion dollars	216.9	219.0	222.7	249.8	251.1	1/
Department store sales (unadjusted)	Million dollars	893	874	855	929	885	1/
Mill consumption of all kinds of cotton 2/	1,000 bales	718.8	4/ 841.9	606.9	832.6	818.7	4/ 767.3
Mill consumption, daily rate	1,000 bales	35.9	34.4	31.9	42.7	40.9	32.0
Index of spindle activity	3/	128.1	123.0	110.9	114.1	138.9	1/
Spindles in place end of month in cotton system	Thousand	23,101	22,977	23,007	23,133	23,136	1/
Spindles consuming 100 percent cotton	Thousand	20,229	20,221	20,525	20,516	20,910	1/
Spindles idle	Thousand	1,643	1,503	1,213	1,363	991	1/
Hourly wage rates in broadwoven goods 5/	Cents	115.8	116.3	1,168	129.3	1/	1/
Exports of cotton	1,000 bales	539.3	740.7	265.0	371.4	204.0	7/ 175.0
Exports of cotton since August 1	1,000 bales	4,763.9	5,504.6	5,769.6	3,783.8	3,987.8	7/ 4,162.8
Imports of cotton	Bales	2,513	1,490	2,332	16,102	18,412	7/ 20.0
Imports of cotton since August 1	Bales	247,198	25,201	255,031	179,974	198,386	7/ 218.4
Mill stocks end of month	1,000 bales	1,607.2	1,426.6	1,307.2	2,077.8	1,754.2	7/ 1,370.4
Stocks, public storage, etc.	1,000 bales	6,591.3	5,444.7	5,188.9	1,647.9	1,082.8	7/ 674.9
Linters prices 6/							
Grade 2	Cents	10.96	10.81	11.67	24.65	21.03	15.80
Grade 4	Cents	7.81	7.86	8.42	18.73	16.50	11.92
Grade 6	Cents	5.26	5.86	6.36	16.02	14.06	10.77
Rayon prices							
Viscose yarn, 150 denier	Cents	71	71	71	78	78	1/
Staple fiber, viscose, 1-1/2 denier	Cents	35	35	35	40	40	1/
Acetate yarn, 150 denier	Cents	74	74	74	76	76	1/

Compiled from official sources.

1/ Not available.

2/ 4-week period except as noted.

3/ 80-hour week = 100 percent.

4/ 5-week period.

5/ Cotton, silk and synthetic fibers.

6/ Average of prices at Memphis, Dallas and Atlanta.

7/ Estimate.

THE COTTON SITUATION

Approved by the Outlook and Situation Board, August 17, 1951

SUMMARY

With the largest cotton crop in 14 years in prospect for 1951 and some slackening of demand on the spot markets, cotton prices have been declining since early in July. The average for Middling 15/16 inch on the 10 spot markets fell from 45.30 cents a pound on July 2 to 34.90 on August 21 with the futures markets registering similar declines.

Preliminary estimates of the United States supply of cotton during 1951-52 total approximately 19,500 thousand running bales. This is 15 percent larger than the 1950 supply. The carry-over is about 2.2 million bales, 68 percent less than on August 1, 1950, and the lowest since 1925. The supply estimate also includes imports of about 200,000 bales. The supply includes a crop estimated at 17,266 thousand bales of 500 pounds gross weight on August 1. This would be 72 percent larger than the small 1950 crop and the third largest in history.

Mill consumption of cotton during 1950-51 was 10.5 million bales, second only to the war years of 1941-42 and 1942-43, and 20 percent greater than 1949-50. July consumption totaled 767 thousand bales and the daily rate of 32 thousand bales was 22 percent below June, registering more than a seasonal decline and about equal to the rate in July a year ago. Exports totaled 4,165 thousand, 28 percent less than in 1949-50.

The Department of Agriculture loan rate for Middling 15/16 inch cotton this season will be 31.71 cents a pound at average location. This is 90 percent of the mid-July parity price plus 125 points for the difference between 7/8 and 15/16 inch staple. On July 15 the price received by farmers for cotton was 116 percent of parity, having fallen from 124 percent of parity in one month.

On August 8 the Department of Agriculture announced an open-end export allocation for cotton. This means that the quantity of exports will not be restricted until further notice. Total exports of United States cotton from August 1, 1950 through June 30, 1951, were 3,988,000 bales. This was 28 percent less than in the same period in 1949-50.

Manufacturers' inventories of cotton textiles are high, 2.10 and 2.86 times sales in May and June 1951, compared with ratios of 1.96 and 2.14 in the same months of 1950. The average mill margin (the spread between the price of a pound of cotton and its approximate cloth equivalent) declined from 39.77 cents in June to 38.77 cents in July.

RECENT DEVELOPMENTS

Large Cotton Crop in Prospect

The 1951 cotton crop is estimated at 17,266 thousand bales, of 500 pound gross weight on the basis of conditions on August 1. This would be 72 percent above the small 1950 crop, and the largest since the record crop of 1937 and the third largest in history. The acreage in cultivation on July 1 less the 10-year average abandonment from natural causes, about 2 percent, will amount to 28,910 thousand acres. Based on this acreage, the average yield is 286.7 pounds per acre--compared with the 1948 record of 311.2 pounds, the 1950 average yield of 269.2 pounds, and a 1941-50 average of 267.5 pounds per acre.

The estimate of the 1951 production exceeds the Secretary of Agriculture's suggested 16 million bale crop by about 1-1/4 million bales. The largest absolute increases in cotton production from 1950 to 1951 are in Texas, California, and Mississippi, where 2054, 772, and 668 thousand more bales are expected than last year. The largest relative increases in the major cotton producing States are indicated in North Carolina, Oklahoma and South Carolina, where production is expected to rise by 237, 181 and 112 percent. (Table 2.) There were no legal restrictions on cotton acreage in 1951.

The Bureau of Entomology and Plant Quarantine has announced that boll weevil infestations of the cotton crop "are few this summer as compared with the past two summers." This is attributed to the unusually cold winter, the hot, dry weather conditions which have prevailed in the cotton belt and particularly in Texas, and the fact that use of insecticides is almost as great as in the past two years.

Fifty-two percent of the cotton acreage was fertilized this year, compared with 57 percent last year, and the 1940-49 average of 46 percent. Practically all of the acreage in the following States was fertilized: Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama and Mississippi. The lowest proportion of acres fertilized was in Texas, 15 percent.

U. S. Cotton Supply Greater by About 2-1/2 Million Bales than Last Year

Approximately 19-1/2 million running bales of cotton will be available for domestic consumption, export, and carry-over during the 1951-52 crop year, on the basis of the first official 1951 crop forecast and estimated imports. This is the second largest cotton supply since the end of the war, and 14 percent more than the 16.9 million bales available during 1950-51. Carry-over stocks on August 4, 1951, were about 2,179 thousand bales, imports will probably be roughly 200 thousand bales, and production is estimated at 17,266 thousand bales of 500 pounds each or 17 million running bales. With a crop of this size, the forthcoming supply would be large enough to permit continued consumption at the high 1950-51 rate, unrestricted export of cotton, and a moderate increase in carry-over stocks on August 1, 1952.

1950-51 Disappearance Fourth Largest on Record

Due primarily to large domestic mill consumption, disappearance in 1950-51 totaled approximately 14.8 million bales and was exceeded only in 1911, 1926 and 1928. During each of these 3 years, exports exceeded 8 million bales while in 1950-51 exports amounted to about 4,162 thousand bales with domestic mill consumption of about 10.5 million bales. This mill consumption was the largest on record except for the war years of 1941 and 1942.

The average daily mill consumption rate during July was 32 thousand bales, 22 percent below June, and about equal to July 1950. The June-to-July decline this year was more than the usual seasonal decline for the years since 1920. Many of the mills closed for usual vacations in July.

Stocks on August 4, 1951, were sufficient to meet between 2 and 3 months' mill consumption at the average 1950-51 rate. Not since August 1, 1925, when the carry-over was 1,610 thousand bales and mill consumption during the preceding 12 months was only 6,193 thousand, has there been such a small carry-over. The bulk of the carry-over is stored in mills. Mill stocks comprised 63 percent of total stocks on August 1 while those in public storage on August 1 this year were only 675 thousand bales compared with 5.2 million a year ago. Stocks stored elsewhere amounted to 134 thousand bales.

Spot and Futures Prices Trend Sharply Downward

Since about July 2, 1951, the average price of cotton on 10 spot markets has fallen sharply, after having been quoted almost consistently at or near the ceiling price (average 45.14 cents per pound for Middling 15/16 inch at the 10 spot markets) since trading was resumed last March. The 10 spot market average for this grade and staple was 34.90 cents per pound on August 21, 1951. The average price during August 1950 was 38.06 cents per pound. Near and distant futures prices have also declined. Prices of foreign growths have undergone a rapid readjustment to prices of American upland cotton in the last few weeks. The price of Type 5 cotton at Sao Paulo, Brazil, for example, which averaged 71.57 cents a pound in March, had declined to 48.37 cents a pound by August 16. Mexican cotton at Torreon declined from 63.95 to 29.66 cents a pound during the same period.

Total reported sales in the 10 spot markets, August 1, 1950, to July 31, 1951, totaled 7,784,000 bales, compared with 11,055,000 bales during the 1949-50 season. Sales on the 10 spot markets during July 1951 and from August 1 through August 21 averaged 7.8 and 20.2 thousand bales per day, respectively. During July and August of 1950, these figures were 30.2 and 55.9 thousand bales, respectively.

Prices Received by Farmers Decline

The average price received by farmers for cotton on July 15, 1951, was 39.11 cents per pound, well above the price of 33.06 cents recorded a year ago, but down 2.91 cents from June 15, 1951. The effective parity price declined 0.13 cents to 33.85 cents from June 15 to July 15, 1951, but the farm price as a percentage of the effective parity price dropped from 124 percent to 116 percent. Cotton was 107 percent of the parity price of 31.00 cents a year ago.

Loan Rate on 1951 Cotton Will be 31.71 Cents

On July 27, 1951, the Production and Marketing Administration announced that the loan rate on 1951-crop cotton will be 31.71 cents per pound for Middling 15/16 inch, at average location, 2.26 cents above the 1950-crop loan rate. This is 90 percent of the effective parity price for Middling 7/8 inch cotton plus 125 points premium for the difference between 7/8 and 15/16 inch staple. Premiums and discounts for other grades and staple lengths were announced earlier, and are given in table 3. Location differentials in the Southeastern States on a zone basis, appear in table 4. Location differentials for each warehouse point other than those shown in table 4, will be based on the freight rate to the mill area of the Carolinas.

Cotton Textile Prices and Mill Margins Decline

Cotton textile prices continued to decline in July. The average value of the cloth obtainable from a pound of cotton (for the 17 selected constructions) fell from 85.06 cents in June to 78.78 cents in July 1951, when it was 5.78 cents above July a year ago. Since this decline exceeded the drop in prices for raw cotton, mill margins (the spread between the price of a pound of cotton and its approximate cloth equivalent, based on 17 constructions of cloth) also narrowed. The spread averaged 38.77 cents in July, as against 39.77 cents in June and 35.96 cents in July a year ago. Manufacturers' sales of cotton textiles during June of 369 million dollars were down 24 percent from May. The book value of manufacturers' inventories increased to 1,055 million dollars in June while the wholesale price index for cotton goods declined 4.7 points to 229.4. The ratio of inventories to sales increased from 2.10 in May to 2.86 in June. In June of last year the ratio was 2.14. The ratio usually rises at this time of year when sales generally slacken.

Exports Total 4.2 Million Bales in 1950-51

Preliminary figures, including an estimate of 175 thousand bales for July, placed 1950-51 exports of cotton from the United States at 4.2 million bales. This is 28 percent less cotton than was shipped abroad in 1949-50, and 12 percent less than in 1948-49. Through June, 400,486 bales had been shipped to Canada, and about 122,000 bales had been shipped to other countries which were not covered by allocations.

Export Allocations

On August 8 the Department of Agriculture announced open-end cotton export allocations for the 1951-52 season. This means that cotton may be exported without restriction as to quantity.

Preliminary cotton linters allocations totaling 250,000 thousand bales or the equivalent in linters pulp have been announced. The country-by-country breakdown is shown in table 1. It is expected that exports to Canada, which are unrestricted, will run about 50,000 bales, bringing the total quantity now available for export to approximately 300,000 bales.

Table 1.- Distribution of preliminary cotton linters export allocations, 1951-52

Country	July 3 allocation	August 8 allocation	Total preliminary allocation
	Bales 1/	Bales 1/	Bales 1/
Belgium	5,000	2,900	7,900
Denmark	700	100	800
France	20,000	18,300	38,300
Germany	3,200	36,100	39,300
Italy	11,200	7,400	18,600
Netherlands	7,300	6,700	14,000
Norway	100	500	600
Sweden	---	800	800
Switzerland	100	2,800	2,900
United Kingdom	17,300	29,700	47,000
Japan	20,000	19,300	39,300
Australia	500	500	1,000
Cuba	4,100	4,000	8,100
Union of South Africa	500	800	1,300
Chile	---	100	100
Total country distribution	90,000	130,000	220,000
Contingency Reserve	60,000	-30,000	30,000
Total allocation	150,000	100,000	250,000

1/ For licensing purposes, 600 pounds of raw linters or 450 pounds of cotton pulp shall be considered a bale.

Industrial Production Declines Slightly; Personal Income Continued Rise

Economic activity remains considerably above a year ago. The July index of industrial production is estimated at 215 (1935-39 = 100), a decline of 7 points from June but 19 points above July 1950. Part of the drop is explained by the Federal Reserve Board as due to vacation shutdowns which are not adequately accounted for in the adjustment for seasonal changes, The index of textile production declined in June to 188, from the May level of 190. Personal income payments rose on an annual rate basis 1.3 billion dollars in June to 251.1 billion dollars, a new record, and 32 billion dollars above June of last year.

Retail inventories, adjusted for seasonal variation, declined by about $200 million from May to June. This slight decrease was accounted for mainly by non-durable goods lines. Retail stocks are still well above 1950 levels, even after allowing for price increases.

World Cotton Consumption at Record Level of 33 Million Bales in 1950-51

The International Cotton Advisory Committee estimates world consumption of cotton during the year 1950-51 at 33 million bales, compared with 29.5 million bales the year before. Indications are that this high consumption has resulted in considerably larger stocks of textiles, particularly at wholesale and retail levels.

The Japanese cotton textile industry is maintaining a sharp upward trend in its consumption of cotton, according to the Office of Foreign Agricultural Relations. There were 26 percent more spindles in place this May than last, and April consumption of 139 thousand bales represents virtual attainment of the industry's goal of 140 thousand bales a month.

Linters Prices Continue to Decline; Supply Larger

Linters prices continued to decline during July and August, with Grade 2 at Memphis down to between 15 and 13 cents per pound on August 12. On July 17 the price range for this grade was 16-14 cents.

Linters consumption during July of 90,460 bales brought consumption for the year 1950-51 to 1,394 thousand bales, compared with 1,616 thousand the year before. The linters carry-over of 287 thousand bales on August 4 is distributed approximately as follows: bleachers' stocks, 86 thousand; other consuming establishments, 87 thousand; public storage and oil mills, 89 thousand, and elsewhere 25 thousand. This total stocks is 165 thousand bales below last year's carry-over.

Assuming that linters production is about 11 percent of cotton production, the 17,266 thousand bale crop estimated for this year would yield about 1.9 million bales of linters. Thus, the 1951-52 supply of linters will be about 2.3 million bales, consisting of production as estimated, imports of about 100 thousand bales, and the August 1 preliminary estimate of a carry-over of 287 thousand bales.

Revised Standards Announced for American-Egyptian Cotton

New standards will become effective for American-Egyptian cotton--replacing the old standards for Pima and SxP varieties--on August 1, 1952, but may be used permissively in the meantime. The new standards, which were approved on June 25, 1951, consist of 10 grades--9 represented in physical form and one descriptive. The new standards are adapted to Pima 32 and Amsak varieties, cultivation of which is superseding that of the older varieties. Staple length standards applicable to American-Egyptian cotton remain unchanged.

Rayon Production Sets Record During Second Quarter

Total United States rayon production during the second quarter of this year was 337 million pounds, (according to the Rayon Organon, a publication of the Textile Economics Bureau, Inc.), 2 percent more than the previous record established in the last quarter of 1950, and 3 percent above first quarter 1951 output. With the exception of viscose high tenacity yarn, which was 1 percent below fourth quarter 1950, both filament and staple fiber rayons were produced in record quantities. The largest relative gain was that of acetate filament yarn--3-1/2 percent. Staple fiber output was 3 percent above the former peak, but it is interesting to note that while acetate staple climbed 7 percent, viscose staple declined by 3 percent compared with previous production records.

Production of synthetic broadwoven goods (rayon and nylon) during the first three months of 1951 was higher than in any other quarter on record. Rayon broadwoven fabrics totaled 630 million linear yards, while 100 percent nylon fabrics amounted to 39 million yards. These production figures are 7 percent and 45 percent, respectively, above the same period of 1950, and 5 percent and 19 percent above the last quarter of 1950. The largest relative increase in rayon broadwoven fabrics production was registered by the category, "all other rayon mixtures" (54 percent over January-March 1950 and 48 percent over October-December 1950), emphasizing the growing popularity of blends.

Rayon yarns and staple fiber are still cheaper than comparable cotton yarn or fiber. For example, viscose filament yarn in May and June was 78 cents a pound, compared with 117.6 and 112.7 cents for comparable cotton yarn. Viscose staple fiber was only 78 percent as expensive as Middling 15/16 inch cotton, after adjusting both fibers for waste factors. Table 8 shows the cotton-rayon price relationship since 1930.

According to the Rayon Organon, through July 31, 1951, the National Production Authority had issued certificates of necessity, permitting rapid tax amortization of specified percentages of new plant and equipment expenditures, to 9 corporations for the purpose of expanding facilities for the production of man-made fibers or dissolving woodpulp. Eleven plant locations are involved, comprising 5 for producing dissolving woodpulp, 3 for rayon, and 3 for other synthetices.

Table 2.- Cotton: Acreage, production and yield forecast, by States, 1951 with comparisons

State	Area in cultivation July 1, 1951 less 10-year average abandonment 1/	Lint yield per harvested acre			Production (ginnings) 3/			Percent change from 1950
		Average 1940-49	1950	Indicated 1951 2/	Average 1940-49	1950 crop	1951 crop indicated Aug. 1	
	Thous. acres	Pounds	Pounds	Pounds	Thous. bales 4/	Thous. bales 4/	Thous. bales 4/	Percent
Mo.	549	425	285	280	375	254	320	126
Va.	22	389	120	415	24	4	19	475
N. C.	764	369	151	383	579	181	610	337
S. C.	1,162	308	224	355	707	405	860	212
Ga.	1,458	238	227	303	738	488	920	189
Fla.	67	170	208	215	14	13	30	231
Tenn.	827	384	318	342	559	409	590	144
Ala.	1,566	276	212	300	919	576	980	170
Miss.	2,575	326	314	373	1,644	1,332	2,000	150
Ark.	2,301	343	313	313	1,414	1,090	1,500	138
La.	981	267	281	428	527	426	875	205
Okla.	1,588	173	145	206	511	242	680	281
Tex.	12,810	181	211	187	3,049	2,946	5,000	170
N. Mex.	331	488	526	435	151	187	300	160
Ariz.	557	446	825	707	222	474	820	173
Calif.	1,334	598	805	630	584	978	1,750	179
Other States 5/	18	407	246	328	16	7	12	171
United States	28,910	265.9	269.2	286.7	12,030	10,012	17,266	172
Amer.-Egypt. 6/	58.4	301	298	372	25.4	64.2	45.2	70
Tex.	24.1	363	214	378	4.1	18.9	19.0	101
N. Mex.	12.0	326	238	240	3.5	8.2	6.0	73
Ariz.	22.0	265	402	436	17.7	36.9	20.0	54
All other	0.3	---	168	400	—	0.2	0.2	100

1/ From natural causes.

2/ Indicated August 1, on area in cultivation July 1 less 10-year average abandonment.

3/ Allowances made for interstate movement of seed cotton for ginning.

4/ Bales of 500-pounds gross weight.

5/ Illinois, Kansas, Kentucky, and Nevada.

6/ Included in State and United States totals.

Table 3 .- Premiums and discounts on loans for all qualities of American upland cotton, 1951 crop
(Basis 15/16 inch Middling)

Grade	Staple length (inches)													
	13/16	7/8	29/32	15/16	31/32	1	1-1/32	1-1/16	1-3/32	1-1/8	1-5/32	1-3/16	1-7/32	1-1/4 and longer
	Pts.	Pts.	Pts.	Pts.	Pts.	Pts.	Pts.	Pts.	Pts.	Pts.	Pts.	Pts.	Pts.	Pts.
WHITE AND EXTRA WHITE														
Good Middling and Better	-110	-65	-10	+75	+105	+150	+185	+210	+330	+475	+760	+1,000	+1,340	+1,540
Strict Middling	-115	-70	-20	+65	+95	+140	+175	+200	+320	+465	+735	+975	+1,315	+1,515
Middling	-180	-125	-75	Base	+25	+65	+100	+125	+195	+325	+565	+815	+1,175	+1,330
Strict Low Middling	-375	-335	-290	-240	-215	-185	-165	-150	-105	-25	+100	+310	+460	+585
Low Middling	-525	-470	-430	-380	-375	-360	-345	-340	-300	-290	-275	-260	-250	-240
Strict Good Ordinary	-695	-615	-570	-515	-510	-505	-495	-495	-480	-480	-480	-480	-480	-480
Good Ordinary	-830	-745	-700	-645	-640	-635	-625	-625	-580	-580	-580	-580	-580	-580
SPOTTED														
Good Middling	-330	-285	-220	-155	-140	-115	-100	-95	-65	-40	-10	+25	+80	+135
Strict Middling	-350	-305	-240	-180	-160	-135	-120	-110	-80	-60	-30	+5	+55	+105
Middling	-520	-460	-400	-345	-330	-310	-300	-300	-220	-195	-170	-145	-120	-95
Strict Low Middling	-670	-610	-555	-505	-500	-485	-480	-480	-460	-460	-460	-460	-460	-460
Low Middling	-845	-780	-725	-680	-670	-660	-660	-660	-620	-620	-620	-620	-620	-620
TINGED														
Good Middling	-605	-530	-480	-425	-425	-415	-415	-415	-350	-340	-325	-315	-300	-290
Strict Middling	-635	-555	-505	-450	-450	-440	-440	-440	-375	-365	-350	-335	-325	-315
Middling	-775	-695	-645	-595	-595	-585	-585	-585	-515	-515	-515	-515	-515	-515
Strict Low Middling	-960	-865	-815	-765	-765	-755	-755	-755	-665	-665	-665	-665	-665	-665
Low Middling	-1,065	-985	-935	-890	-885	-875	-875	-875	-790	-790	-790	-790	-790	-790
YELLOW STAINED														
Good Middling	-875	-790	-735	-685	-685	-675	-675	-675	-580	-580	-580	-580	-580	-580
Strict Middling	-935	-830	-775	-725	-725	-715	-715	-715	-605	-605	-605	-605	-605	-605
Middling	-1,100	-990	-940	-885	-885	-875	-875	-875	-755	-755	-755	-755	-755	-755
GRAY														
Good Middling	-420	-310	-245	-185	-180	-165	-160	-155	-140	-40	+55	+130	+180	+230
Strict Middling	-520	-390	-330	-270	-260	-245	-245	-240	-195	-90	-5	+70	+120	+170
Middling	-635	-525	-465	-405	-400	-380	-375	-370	-285	-205	-150	-70	-50	-40
Strict Low Middling	-760	-680	-630	-580	-575	-565	-560	-550	-530	-530	-530	-530	-530	-530

Production and Marketing Administration.

Table 4 .- SCHEDULE SHOWING MILL AREA AND VARIATION IN LOAN RATES FOR THE ZONED AREAS 1/

I. DESIGNATED MILL AREA:

Rate for mill area is 32.55 cents per pound for Middling 15/16 inch cotton.

North Carolina: All counties west of Granville, Wake, Harnett, Hoke and Scotland.

South Carolina: All counties west of Marlboro, Carlington, Lee, Sumter, Calhoun, Orangeburg, and Barnwell.

II. ZONED AREAS BASED ON MILL AREA:

Area 7 Points Less Than Mill Area:

North Carolina: All counties east of Person, Durham, Chatham, Lee, Moore and Richmond.

South Carolina: All counties east of Chesterfield, Kershaw, Richland, Lexington, and Aiken.

Virginia: All counties.

Area 10 Points Less than Mill Area:

Georgia: All counties east of Union, Lumpkin, Dawson, Forsythe, Gwinnett, Walton, Morgan, Putnam, Hancock, Glassock, Jefferson and Burke.

Area 20 Points Less Than Mill Area:

Georgia: All counties, except Dade and counties in zone with 10 points less than mill area, north of Stewart, Webster, Sumter, Dooly, Wilcox, Telfair, Wheeler, Montgomery, Toombs, Tattnall, Evans and Bryan.

Area 30 Points Less Than Mill Area:

Georgia: County of Dade and all counties south of Chattahooches, Macon, Houston, Pulaski, Dodge, Laurens, Treulen, Marion, Schley, Emanuel, Candler, Bulloch, Effingham, and Chatham and north of Quitman, Randolph, Calhoun, Baker, Mitchell, Colquitt, Cook, Berrien, Atkinson, Ware, Pierce, Brentley and Glynn.

Area 31 Points Less Than Mill Area:

Tennessee: All counties east of Marion, Sequatchie, Bledsoe, Cumberland, Morgan and Scott.

Alabama: All counties east of DeKalb, Marshall, Blount, St. Clair, Shelby, Coosa, Elmore, Macon, Bullock, and Barbour.

Continued -

Table 4.- SCHEDULE SHOWING MILL AREA AND VARIATION IN LOAN RATES FOR THE ZONED AREAS 1/ (Cont'd)

Area 40 Points Less Than Mill Area:

Georgia: All counties south of Stewart, Webster, Terrell, Dougherty, Worth, Tift, Irwin, Coffee, Bacon, Appling, Wayne and McIntosh.

Florida: All counties east of Jackson, Liberty and Franklin.

Area 41 Points Less Than Mill Area:

Tennessee: Counties of Marion, Sequatchie, Grundy, Bledsoe and Cumberland.

Alabama: Counties of DeKalb, Marshall, Blount, St. Clair, Shelby, Coosa, Elmore, Macon, Bullock and Barbour.

Area 51 Points Less Than Mill Area:

Tennessee: Counties of Franklin, Coffee, Warren, Van Buren, White, Putnam and Overton.

Alabama: Counties of Madison, Jackson, Morgan, Cullman, Jefferson, Bibb, Chilton, Augauga, Montgomery, Pike, Coffee, Dale, Henry, Geneva and Houston.

Florida: Counties of Bay, Calhoun, Gulf, Holmes, Jackson, Washington, Liberty and Franklin.

Area 61 Points Less Than Mill Area:

Tennessee: Counties of Lincoln, Giles, Moore, Bedford, Marshall, Rutherford, Cannon, DeKalb and Wilson.

Alabama: Counties of Limestone, Lawrence, Winston, Walker, Fayette, Tuscaloosa, Hale, Perry, Dallas, Lowndes, Butler, Crenshaw and Covington.

Florida: County of Walton.

Area 71 Points Less Than Mill Area:

Tennessee: Counties of Lawrence, Wayne, Lewis, Perry, Hickman, Humphreys, Dickson, Davidson, Williamson and Mary.

Alabama: Counties of Lauderdale, Colbert, Franklin, Marion, Lamar, Pickens, Green, Sumter, Marengo, Choctaw, Wilcox, Monroe, Clarke, Washington, Escambia and Conecuh.

Florida: County of Oskaloosa.

Area 82 Points Less Than Mill Area.

Alabama: Counties of Mobile and Baldwin.

Florida: Counties of Escambia and Santa Rosa.

Production and Marketing Administration.

1/ Location differentials for each warehouse point will be based on the freight rate to the mill area of the Carolinas, except for the zones, shown in this table.

Table 5 .- Cotton: Middling 7/8 inch and 15/16 inch; High, low, and season average price, ten designated markets, 1915-50

Season beginning August 1	High			Low			Season	
	Date	Price 7/8 inch	Price 15/16 inch	Date	Price 7/8 inch	Price 15/16 inch	Ave. 7/8 inch	Ave. 15/16 inch
		Cents	Cents		Cents	Cents	Cents	Cents
1915	July 31, 1916	13.22	1/	Aug. 23, 1915	8.64	1/	11.72	1/
1916	June 27, 1917	26.27	1/	Aug. 1, 1916	13.27	1/	18.95	1/
1917	Apr. 4, 1918	34.62	1/	Sept. 13, 1917	20.50	1/	29.01	1/
1918	Sept. 3, 1918	35.38	1/	Mar. 26, 1919	25.83	1/	29.77	1/
1919	Apr. 17, 1920	42.26	1/	Sept. 11, 1919	28.63	1/	38.34	1/
1920	Aug. 2, 1920	38.51	1/	June 20, 1921	9.98	1/	16.66	1/
1921	July 3, 1922	23.07	1/	Aug. 2, 1921	11.46	1/	18.09	1/
1922	Mar. 7, 1923	30.94	1/	Sept. 30, 1922	19.95	1/	25.84	1/
1923	Nov. 28, 1923	35.81	1/	Aug. 2, 1923	22.79	1/	30.14	1/
1924	Aug. 2, 1924	29.30	1/	Sept. 16, 1924	20.89	1/	24.23	1/
1925	Aug. 1, 1925	24.38	1/	July 2, 1926	17.07	1/	19.68	1/
1926	Aug. 3, 1926	18.33	1/	Dec. 3, 1926	11.40	1/	14.40	1/
1927	Sept. 8, 1927	23.10	2/23.41	Aug. 3, 1927	16.35	1/	19.72	1/
1928	Mar. 9, 1929	20.30	2/20.57	Sept. 18, 1928	16.71	2/16.96	18.67	1/
1929	Aug. 1, 1929	18.80	2/19.28	July 31, 1930	11.76	2/12.18	15.78	1/
1930	Aug. 7, 1930	12.38	2/12.80	June 9, 1931	7.62	2/ 8.03	9.61	9.99
1931	Aug. 1, 1931	7.52	2/ 7.93	June 9, 1932	4.76	2/ 4.90	5.89	6.09
1932	July 18, 1933	11.51	3/11.67	Dec. 5, 1932	5.45	3/ 5.62	7.15	7.29
1933	July 18, 1934	13.05	3/13.26	Aug. 16, 1933	8.32	3/ 8.51	10.81	11.00
1934	Aug. 9, 1934	13.63	3/13.99	Mar. 18, 1935	10.55	3/10.92	12.36	12.68
1935	July 10, 1936	13.42	3/13.89	Sept. 16, 1935	10.35	3/10.63	11.55	11.88
1936	Mar. 30, 1937	14.91	3/15.54	July 31, 1937	11.10	3/11.80	12.70	13.25
1937	Aug. 5, 1937	11.24	11.85	Nov. 4, 1937	7.65	8.07	8.66	9.09
1938	July 10, 1939	9.59	9.90	Sept. 17, 1938	7.92	8.23	8.70	9.00
1939	Dec. 13, 1939	11.10	11.28	Sept. 2, 1939	8.49	8.70	9.90	10.09
1940	July 26, 1941	16.70	16.92	Oct. 14, 1940	9.06	9.27	10.79	11.00
1941	Apr. 9, 1942	20.00	20.47	Aug. 12, 1941	15.18	15.39	17.94	18.31
1942	Apr. 1, 1943	20.51	21.43	Aug. 10, 1942	17.56	18.23	19.22	20.14
1943	July 11, 1944	20.96	22.11	Nov. 29, 1943	18.08	19.16	19.56	20.65
1944	July 13, 1945	21.40	22.82	Aug. 7, 1944	19.93	21.08	20.60	21.86
1945	July 19, 1946	34.09	35.72	Aug. 20, 1945	20.65	22.07	24.39	25.96
1946	July 16, 1947	37.79	39.35	Nov. 7, 1946	26.44	27.95	33.33	34.82
1947	Apr. 21, 1948	36.20	38.65	Sept. 30, 1947	28.75	30.55	32.38	34.58
1948	Apr. 25, 1949	31.39	33.37	Aug. 23, 1948	27.97	30.69	30.04	32.15
1949	July 28, 1950	37.58	39.05	Oct. 17, 1949	27.93	29.48	30.30	31.83
1950	4/	44.09	45.25	July 31, 1951	35.04	36.21	41.35	42.58

Cotton Branch, Production and Marketing Administration.

1/ Not available. 2/ Average of six markets. 3/ Average of seven markets. 4/ The 10 spot market average for Middling 15/16 inch was 45.25 cents on each trading day from April 24, 1951 through May 9, 1951 and June 12 through June 29, 1951. The high of 44.09 cents for Middling 7/8 inch was quoted from April 24, 1951 through May 9, 1951 and from June 12 through June 15, 1951.

Table 6 .- Prices of cotton in specified foreign markets, averages 1935-39 to date

Year	Egypt		India	Pakistan			Argentina	Peru	Brazil	Mexico
beginning	Alexandria		Bombay	Karachi			Buenos Aires	Lima	Sao Paulo	Torreon
Aug. 1	Ashmouni: Good	Karnak Good	Jarilla Fine	4 F Punjab: S G Fine	289 F Sind: S G Fine	289 F Punjab: S G Fine	Type B	Tanguis Type 5	Type 5	Middling 15/16 inch
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Average:										
1935-39	1/ 12.54	2/	8.31	2/	2/	2/	12.81	10.99	10.33	11.52
1940-44	1/ 18.31	2/	3/ 9.90	2/	2/	2/	13.98	12.82	10.73	16.23
1945	4/ 28.29	5/ 31.38	16.43	2/	2/	2/	20.43	18.22	17.93	19.41
1946	5/ 35.95	5/ 35.28	16.81	2/	6/ 21.19	6/ 24.02	30.14	24.93	25.88	28.34
1947	51.75	63.38	21.47	2/	7/ 25.60	7/ 28.52	37.53	28.40	28.44	30.08
1948	42.10	67.94	23.43	30.14	33.54	36.00	46.80	8/ 31.43	33.05	5/ 25.25
1949	5/ 45.96	9/ 47.14	17.57	27.87	29.11	30.08	41.03	6/ 30.41	32.35	25.30
1950	67.13	83.05	20.17	42.48	44.43	46.96	54.55	6/ 37.20	58.79	44.61
1950										
Aug.	10/ 41.90	50.64	16.50	32.31	33.48	34.44	41.77	10/ 28.36	43.27	31.30
Sept.	48.54	54.98	20.50	37.63	39.46	40.60	39.69	30.99	45.66	35.15
Oct.	63.36	65.68	20.50	44.73	11/ 45.64	11/ 47.48	40.82	12/ 32.90	54.89	40.53
Nov.	66.32	69.38	20.50	40.49	12/ 42.41	12/ 42.77	41.28	37.98	60.92	12/ 44.31
Dec.	71.91	73.29	20.50	36.78	37.99	38.59	41.28	13/	64.08	12/ 44.88
Jan.	78.05	90.65	20.50	40.65	42.30	43.95	41.28	13/	69.71	48.76
Feb.	81.96	100.40	20.50	48.50	50.21	53.35	41.28	13/	71.78	60.43
Mar.	76.94	104.46	20.50	54.30	57.09	63.03	69.13	11/ 53.10	71.57	63.95
Apr.	70.02	97.97	20.50	44.46	46.75	53.07	78.92	13/	64.50	12/ 62.32
May	68.20	96.91	20.50	46.49	48.03	54.04	74.03	13/	64.86	11/ 39.90
June	67.83	94.26	20.50	44.00	47.21	48.95	72.58	42.29	51.87	35.06
July	70.56	97.95	20.50	39.41	42.62	43.31	72.58	34.78	42.32	28.78
1951										
Aug.										

Compiled from reports of the State Department and converted to cents per pound at current rates of exchange as reported by the Federal Reserve Board. Based on prices on one day in each week. 1/ Price of Ashmouni, Fully Good Fair. 2/ Comparable data not readily available. 3/ Average for 3 years. 4/ Quotation for one month. 5/ Average for 10 months. 6/ Average for 7 months. 7/ Average for 9 months. 8/ Average for 8 months. 9/ Average for 11 months. 10/ Average of 2 quotations. 11/ Only 1 quotation. 12/ Average of 3 quotations. 13/ No quotation.

Table 7 .- Cotton exports from the United States, June 1951

Country of destination	Pima and Sea Island	1-1/8 inches and over	1-1/16 inches to 1-1/8 inches	15/16 inch to 1-1/16 inches	Under 15/16 inch	Total
	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales
Europe						
United Kingdom	0	300	2,472	6,916	308	9,996
Austria	0	662	2,678	2,093	0	5,433
Belgium and Luxembourg	0	49	1,602	2,258	0	3,909
Czechoslovakia	0	0	0	0	0	0
Denmark	0	0	1,808	490	0	2,298
Eire	0	0	0	50	0	50
Estonia	0	0	0	0	0	0
Finland	0	0	0	0	0	0
France	0	1,919	9,432	21,402	99	32,852
Germany	0	3,080	16,107	3,403	17	22,607
Greece	0	210	0	0	0	210
Hungary	0	0	0	0	0	0
Italy	0	1,302	23,125	18,966	824	44,217
Netherlands	0	2,816	5,087	4,914	21	12,838
Norway	0	0	0	343	0	343
Poland and Danzig	0	0	0	0	0	0
Portugal	0	0	0	0	0	0
Spain	0	0	0	0	0	0
Sweden	0	0	0	551	0	551
Switzerland	0	0	0	0	0	0
U.S.S.R.	0	0	0	0	0	0
Yugoslavia	0	200	3,274	1,158	450	5,082
Other Europe	0	0	0	0	0	0
Total Europe	0	10,538	65,585	62,544	1,719	140,386
Other countries						
Canada	0	1,495	7,232	12,279	2,946	23,952
Mexico	0	0	0	0	0	0
Cuba	0	0	0	1,040	0	1,040
Colombia	0	815	189	51	0	1,055
India	0	5,922	0	0	0	5,922
China	0	0	0	0	0	0
Japan	0	0	1,994	1,786	630	4,410
Hong Kong	0	0	0	0	0	0
Australia	0	0	0	0	0	0
Palestine	0	0	0	0	0	0
French Indochina and French India	0	0	0	568	0	568
Korea	0	0	0	3,173	10,016	13,189
Other countries	0	920	2,012	3,416	7,136	13,484
World totals	0	19,690	77,012	84,857	22,447	204,006

Compiled from reports of the Bureau of the Census.

Table 8 .- Cotton: Exports from the United States to specified countries, August-June, averages 1935-39 and 1940-44, annual 1947-50

Country of destination	Average 1935-39	Average 1940-44	1947 1/	1948 2/	1949	1950 3/
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
Europe						
United Kingdom	1,246	643	253	717	572	279
Austria	4/	0	4/	70	57	53
Belgium and Luxembourg	155	14	49	139	181	70
Czechoslovakia	58	2	21	30	52	5
Denmark	30	0	0	27	31	29
Eire	0	0	1	3	3	4
Estonia	8	0	0	0	0	0
Finland	30	5	26	30	3	1
France	618	55	192	631	761	415
Germany	468	0	244	452	726	461
Greece	3	3	1	9	46	1
Hungary	4	0	4/	6	23	0
Italy	407	0	59	609	716	524
Netherlands	97	2	33	181	248	151
Norway	15	1	3	15	8	19
Poland and Danzig	161	3	47	79	28	1
Portugal	33	4/	0	4/	0	2
Spain	98	95	2	65	56	50
Sweden	104	15	6	4/	25	30
Switzerland	10	2	2	35	40	21
U.S.S.R.	4/	28	0	26	0	0
Yugoslavia	16	3	0	39	22	73
Other Europe	10	0	0	26	9	4
Total Europe	3,573	871	938	3,189	3,607	2,193
Other countries						
Canada	273	259	132	276	253	400
Mexico	0	4/	4/	0	0	4/
Cuba	10	5	13	6	4/	23
Colombia	17	3	1	44	56	50
India	51	4/	9	2	392	197
China	112	20	211	270	113	51
Japan	1,065	25	435	570	778	834
Hong Kong	4/	4/	0	28	119	26
Australia	8	11	10	0	0	0
Palestine	0	0	3	9	7	7
French Indochina and French India	20	7	4	7	10	14
Korea	0	0	59	31	51	35
Other countries	26	13	6	95	119	158
World totals	5,156	1,214	1,819	4,526	5,505	3,988

Compiled from reports of the Bureau of the Census.

1/ Excludes War Department shipments. 2/ Includes Army Civilian Supply Exports. 3/ Preliminary. 4/ Less than 500 bales.

All totals were made before figures were rounded.

Table 9.- Rayon and cotton: Actual prices of yarn and equivalent prices of raw fiber, United States, average 1930-34, 1935-39 and 1940 to date

Year beginning August	Actual prices per pound		Equivalent prices per pound of usable fiber			Ratios		
	Rayon filament yarn 1/	Cotton yarn 2/	Rayon staple fiber 3/	Cotton 4/ Middling 15/16 inch	Cotton 4/ S. M. 1-1/16 inches	Rayon yarn to cotton yarn	Rayon staple fiber to Middling 15/16 inch	Rayon staple fiber to S. M. 1-1/16 inches
	Cents	Cents	Cents	Cents	Cents	Percent	Percent	Percent
Average: 1930-34	67	37	46.83	11.68	13.54	181	401	346
Average: 1935-39	56	36	28.56	13.37	14.95	156	214	191
1940	53	39	26.25	13.71	15.34	136	191	171
1941	55	50	26.25	22.33	25.01	110	118	105
1942	55	52	26.25	24.55	27.45	106	107	96
1943	55	52	25.20	25.07	27.97	106	101	90
1944	55	56	26.25	26.47	28.97	98	99	91
1945	55	62	26.25	31.26	33.15	89	84	79
1946	63	83	30.58	41.83	43.44	76	78	70
1947	71	102	36.33	41.39	44.87	70	88	81
1948	76	86	38.43	38.90	41.58	88	99	92
1949	71	81	36.75	38.55	42.42	88	95	87
1950								
Aug.	74	92.5	38.85	46.02	49.55	80	84	78
Sept.	75.5	100.7	38.85	49.01	52.23	75	79	74
Oct.	76.0	107.2	38.85	48.21	52.01	71	81	75
Nov.	76.0	114.7	38.85	51.14	55.02	66	76	71
Dec.	77.0	116.6	42.00	51.21	55.06	66	82	76
Jan.	78.0	117.2	42.00	53.12	57.01	67	79	74
Feb.	78.0	117.6	42.00	5/	5/	66	0	0
Mar.	78.0	117.6	42.00	54.21	57.32	66	77	73
Apr.	78.0	117.6	42.00	54.22	57.33	66	77	73
May	78.0	117.6	42.00	54.16	57.27	66	78	73
June	78.0	112.7	42.00	53.96	56.34	69	78	75
July								

Compiled from data from Bureau of Labor Statistics and Cotton Branch, Production and Marketing Administration.

1/ Wholesale price of Viscose on skeins first quality yarn, 150 denier until June 1947, since July 1947 "on cones."

2/ Wholesale price of Single 40's carded until July 1946, since August 1946, twisted carded.

3/ Wholesale price of Viscose, 1-1/2 denier. Assumes net waste multiplier of 1.05.

4/ Price of Memphis Territory growths, landed Group B mill points and assuming net waste multiplier of 1.15.

5/ Not available.

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